

RBS chief Ross McEwan leaves thorny issues in Alison Rose's in-tray

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Alison Rose will succeed Ross McEwan at the head of Royal Bank of Scotland

[Ross McEwan](#) will head Down Under after stepping down as boss of Royal Bank of Scotland with a sense that much of his to-do list has been ticked off.

Under his stewardship, [RBS](#) has returned to profit and paying dividends, while settling a multibillion-dollar sub-prime mis-selling case.

One of the biggest blots on the Kiwi's copybook during his six-year tenure has been criticism of the bank's response to a series of small business lending scandals, particularly his handling of the mistreatment of companies by the Global Restructuring Group, the lender's now-notorious restructuring unit. Mr McEwan, 62, who takes over at National Australia Bank in December, has said that the GRG issue has been more damaging to the bank's reputation than any other.

Yet there was progress of sorts here, too. A compensation scheme for [GRG](#) victims is in its closing stages. Another one for small businesses that were mis-sold toxic derivatives products has concluded. Britain's costliest consumer banking scandal, the mis-selling of payment

protection insurance, is still costing RBS a fortune, but, with the final claims deadline having passed, the end is in sight.

Howard Davies, the RBS chairman, said that Mr McEwan had “resolved all its major legacy issues”. That is probably overstating things. For example, lingering intrigue over the Treasury’s influence over GRG’s tactics is set to be aired in a court battle between a property developer and the bank. More broadly, thousands of owners of small and medium-sized companies are still dealing with the fallout of RBS’s poor conduct on their finances, relationships and health.

It will take a long time for the lender to restore trust, not least because there is a widespread view that various compensation schemes have offered little more than window dressing.

Alison Rose, Mr McEwan’s successor, would be wise to expect a visit or two from the ghost of banking scandals past as she sets about modernising the bank.

New boss steeled by the ‘trauma’ of restructuring

The next boss of Royal Bank of Scotland is one of a new generation of bankers who forged their skills in the heat of the 2008 financial crisis (Simon Duke writes).

Alison Rose was in her late thirties and running RBS’s structured financing division when the Edinburgh-based company was forced into a taxpayer bailout after the collapse of Lehman Brothers.

Last year Ms Rose, 49, said that the near-collapse of the bank “was definitely the point where I could have left or stayed to be part of fixing it. I stayed and had to step up and be a leader”.

Working on restructuring the bank and cleaning up its balance sheet was “a pretty traumatic . . . and difficult experience”.

A graduate in history from Durham University, she joined National Westminster Bank as a trainee in 1992, eight years before it was acquired by RBS.

Ms Rose worked her way through the investment banking division before the crisis struck. In 2014, she was promoted to head commercial and private banking by Ross McEwan, who stands down as chief executive at the end of October.

Ms Rose is married with two children. Her husband, David Slade, is head of debt capital markets at UBS, the Swiss bank. This year she led a Treasury review into the barriers women face in becoming entrepreneurs.